

SEP 26 '07

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FLETCHER & SIPPEL LLC

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September 25, 2007

SURFACE TRANSPORTATION BOARD

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Via Overnight (Next Business Day) Delivery

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20423-0001
Attn: Office of Recordations

Dear Secretary Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are an original and two (2) copies of a Memorandum of Second Amended and Restated Loan and Security Agreement, dated as of September 20, 2007, and Memorandum of Amended and Restated Assignment of Rents and Lessor's Interest in Leases, dated as of September 20, 2007, both secondary documents as defined in the Board's Rules for the Recordation of Documents.

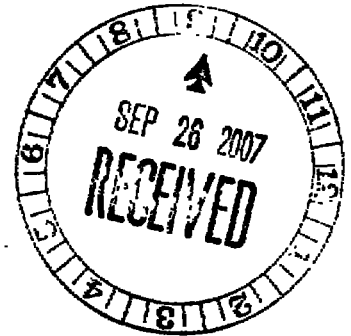
The enclosed documents relate to a Memorandum of Loan and Security Agreement and a Memorandum of Assignment of Rents and Lessor's Interest in Leases previously filed with the Board under Recordation Numbers 27127 and 27127-A respectively.

The names and addresses of the parties to the enclosed documents are:

Debtor:

Iowa Northern Railway Company
305 South Second Street
Suite 400
Cedar Rapids, Iowa 52401

Hawkeye Express Co., LLC
305 Second Street Southeast
Suite 400
Cedar Rapids, Iowa 52401



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Secured Party:


Fifth Third Bank (Chicago)
222 South Riverside Plaza
32nd Floor
Chicago, Illinois 60606

A description of the railroad equipment is included as Exhibit A to the documents. Included in the property covered by the aforesaid documents are rolling stock and equipment intended for use and related to interstate commerce, and includes rolling stock or equipment acquired by Debtors or its or their successors **after the date** of the aforesaid documents.

Also enclosed is a check in the amount of \$70.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Respectfully submitted,



Myles L. Tobin
Attorney for Secured Party

Enclosures.

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**MEMORANDUM OF SECOND AMENDED AND RESTATED
LOAN AND SECURITY AGREEMENT****SURFACE TRANSPORTATION BOARD**


THIS MEMORANDUM OF SECOND AMENDED AND RESTATED LOAN AND SECURITY AGREEMENT (the "Memorandum") dated as of September 20, 2007, is made by and between Fifth Third Bank (Chicago), a Michigan banking corporation, 222 South Riverside Plaza, 32nd Floor, Chicago, Illinois 60606, (the "Bank"), and Iowa Northern Railway Company, an Iowa corporation, with its chief executive office and principal place of business at 305 South Second Street, Cedar Rapids, Iowa 52401 and Hawkeye Express Co., LLC, an Iowa limited liability company, with its chief executive office and principal place of business at 305 Second Street Southeast, Suite 400, Cedar Rapids, Iowa 52401 (collectively the "Borrowers").

WHEREAS, Borrowers and Bank are parties to that certain Second Amended and Restated Loan and Security Agreement ("Loan Agreement"), dated as of September 20, 2007:


1. ACCORDINGLY, pursuant to the terms of the Second Amended and Restated Loan Agreement (as the same may be amended and/or restated from time to time), and to secure the payment and performance of any and all of Borrowers' obligations to the Bank, Borrowers granted to the Bank a continuing, first priority security interest in and to, and chattel mortgage lien on, all of the Borrowers' right, title and interest in and to Locomotives, Rolling Stock and Equipment ("Collateral") more specifically identified on Exhibit A, and any Collateral acquired by Borrowers subsequent to September 20, 2007, to have and to hold all and every part of the Collateral unto the Bank, its successors and assigns, for its and their own use and benefit forever.

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

IOWA NORTHERN RAILWAY COMPANY,
an Iowa Corporation

By: 
Name: Daniel R. Sabin
Title: President

HAWKEYE EXPRESS CO., LLC., an Iowa
Limited Liability Company

By: 
Name: Daniel R. Sabin
Title: President

FIFTH THIRD BANK (CHICAGO), a
Michigan Banking Corporation

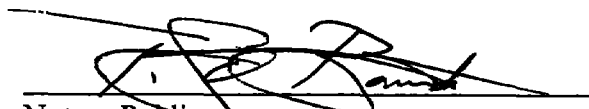
By:  _____

Title: _____ **Craig Schuth**
Vice President
Fifth Third Bank

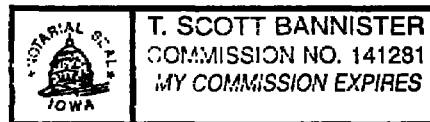
STATE OF IOWA)
) ss
COUNTY OF LINN)

On this 20th day of September, 2007, before me, a Notary Public of the County and State aforesaid, personally appeared Daniel R. Sabin to me personally known, who being by me duly sworn, says that he is the President of Iowa Northern Railway Company, an Iowa corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



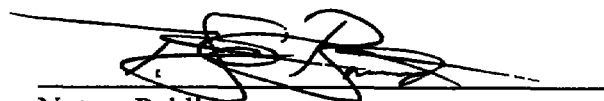
Notary Public



STATE OF IOWA)
) ss
COUNTY OF LINN)

On this 20th day of September, 2007, before me, a Notary Public of the County and State aforesaid, personally appeared Daniel R. Sabin to me personally known, who being by me duly sworn, says that he is the President of Hawkeye Express Co.. LLC, an Iowa limited liability company, that said instrument was signed on behalf of said company by authority of its Members, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

AS WITNESS my hand and notarial seal.



Notary Public



STATE OF ILLINOIS)
) ss
COUNTY OF COOK)

On this 24th day of September, 2007, before me, a Notary Public of the County and State aforesaid, personally appeared CRAIG SCHULTZ to me personally known, who being by me duly sworn, says that he is the Vice President of Fifth Third Bank (Chicago), a Michigan banking corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



Nancy A. Allen
Notary Public
My Commission Expires:
03/12/2008

EXHIBIT A

1. Kershaw Ballast Regulator, Model No. 26-3, Unit No. BR-701. Serial No. 26-189-91 with Automatic Shut Off
2. Kershaw Ballast Regulator, Model No. 26-3, Unit No. BR-642. Serial No. 26-1152-78
3. Trailboss Trailer, Model PU27TBA, Serial No. 4S0TP273261002305
4. Jackson 6500 Production/Switch Liner/Tamper, Serial No. 139304
5. Jackson 6700 Production/Switch Liner/Tamper, Serial No. 142453
6. Tamper Brushcutter, Model KTBC, Serial No. 2870174
7. Tamper C Series Regulator, Model C154BR, Serial No. 8BR0005
8. Drott Excavator and attachments, Model 40 BEC, Serial No. 1952
9. Jackson Jordan, Inc. Tie Inserter/Extractor, Model 925SS, Serial No. 142363
10. IANR 4002 (Former CN 9508), Built 10/74, Serial No. 83085
11. IANR 4001 (Former CN 9445), Built 5/74, Serial No. 83023
12. IANR 4000 (Former CN 9425), Built 4/74, Serial No. 83003